

DECLARATION

Revenue Agent Anh Reach declares:

1. I am a duly commissioned Revenue Agent employed by the Internal Revenue Service in the Large Business and International Operating Division (LB&I), International Individual Compliance, Group 1555.
2. In my capacity as a Revenue Agent, I am conducting an investigation into the income tax liabilities of Larry J. Aniol and Jo Ann Aniol, for the tax years ended December 31, 2002, December 31, 2003, and December 31, 2004.
3. The examination of Mr. and Mrs. Aniol's income tax liabilities for 2002 was initiated by Revenue Agent Andrew M. Daxon on December 13, 2004. On May 26, 2005, the examination was transferred to Revenue Agent Cherrie Mayberry-Jones. She expanded the examination to include the tax years ending January 31, 2003 and 2004. On February 27, 2009, the examination was transferred to Revenue Agent Vickie Wray. On October 1, 2010, the examination was transferred to me.
4. In furtherance of the above investigation, Revenue Agent Cherrie Mayberry-Jones issued on November 22, 2005, an Internal Revenue Service summons to Larry J. Aniol, for the tax years 1998, 1999, 2000, 2001, 2002 and 2003,<sup>1</sup> to give testimony and to produce for examination the books, papers, records, and other data as described in the summons. The summons is attached to the petition as Exhibit 1.
5. In furtherance of the above investigation Revenue Agent Vickie Wray issued on June 22, 2009, two Internal Revenue Service summonses to Larry J. Aniol, for the tax years 2002, 2003 and 2004, to give testimony and to produce for examination the books, papers, records, and other data as described in the summonses. One of the summons was issued in the matter of his tax liability. The other was in the matter of her tax liability. His summonses are attached to the petition as Exhibits 2 and 3.
6. Also in furtherance of the above investigation Revenue Agent Vickie Wray issued on June 29, 2009, two Internal Revenue Service summonses to Jo Ann Aniol, for the tax years 2002, 2003 and 2004, to give testimony and to produce for examination the books, papers, records, and other data as described in the summonses. One of the summons was issued in the matter of his tax liability. The other was in the matter of her tax liability.

<sup>1</sup> As of the date of the issuance of the summons referred to in this paragraph 3, the examination did not include the tax year ending January 31, 2004. Subsequent to the issuance of this first summons, the scope of the periods under examination changed. The years currently at issue are 2002 through 2004.




Her summonses are attached to the petition as Exhibits 4 and 5.

7. Revenue Agents Cherrie Mayberry-Jones and Vickie Wray were, as of the date that each summons was issued, authorized to issue the Internal Revenue Service summonses attached as Exhibits 1, 2, 3, 4, and 5 pursuant to the authority contained in Title 26 U.S.C. § 7602, and Treasury Regulation Section 301.7602-1, 26 C.F.R. § 301.7602-1.
8. In accordance with 26 U.S.C. § 7603, on November 22, 2005, Revenue Agent Cherrie Mayberry-Jones served an attested copy of the Internal Revenue Service summons described in paragraph 4 on Larry J. Aniol, at his residence, by taping the summons to the front gate of his property as evidenced in the certificate of service on the reverse side of the summons.
9. In accordance with 26 U.S.C. § 7603, on June 30, 2009, Revenue Agent Vickie Wray served attested copies of the Internal Revenue Service summonses described in paragraph 5 above on Larry J. Aniol by hand delivery as evidenced in the certificates of service on the reverse sides of the summonses.
10. In accordance with 26 U.S.C. § 7603, on June 30, 2009, Revenue Agent Vickie Wray served attested copies of the Internal Revenue Service summonses described in paragraph 6 on Jo Ann Aniol by hand delivery as evidenced in the certificate of service on the reverse side of the summons.
11. The first summons issued to Larry J. Aniol required his appearance on December 15, 2005. The second and third summonses issued to Larry J. Aniol required his appearance on July 27, 2009.
12. The summonses issued to Jo Ann Aniol required her appearance on July 28, 2009.
13. Larry J. Aniol did not appear in response to any of the summonses on the required dates.
14. Jo Ann Aniol did not appear in response to the summonses on the required date.
15. Prior to their appearance dates, Larry J. and Jo Ann Aniol, through their representatives, produced documents requested in the summonses. I do not know if they have fully complied with production.
16. All administrative steps required by the Internal Revenue Code for issuance of the summonses in order to properly investigate the federal tax liabilities of Larry J. Aniol and Jo Ann Aniol for tax years 2002 through 2004 have been taken.

17. Larry J. Aniol's testimony and Jo Ann Aniol's testimony, as sought by the summonses, are relevant to the investigation of the federal tax liabilities of Larry J. Aniol and Jo Ann Aniol for tax years 2002 through 2004.
18. Separate Notices of Deficiency (Notices) were issued to Larry J. and Jo Ann Aniol on May 2, 2013, for tax years 2002, 2003, and 2004. Larry J. and Jo Ann Aniol filed a joint petition for a redetermination of their tax deficiencies on July 29, 2013 styled Larry J. Aniol and Jo Ann Aniol, Docket No. 17321-13, which is still pending in the United States Tax Court.
19. The Notices of Deficiency determined that Larry J. and Jo Ann Aniol were not residents of the United States Virgin Islands and adjusted their tax liabilities accordingly. The Notices of Deficiency's position on residence significantly increased Larry J. and Jo Aniol's tax liabilities.
20. Respondents' Petition to United States Tax Court claimed Virgin Island tax residence during 2002, 2003, and 2004.
21. One of the issues that Larry J. and Jo Ann Aniol may be questioned about during their testimony would be residency. They have never testified about the issue. Such testimony may be relevant to the determination of their tax liabilities in 2002, 2003, and 2004.
22. In addition, Respondents may have knowledge of other facts bearing on the tax liabilities for 2002, 2003 or 2004, whether directly set out in the Notices or the Respondents' Tax Court Petition.
23. There is no Justice Department referral in effect with respect to Larry J. Aniol, Jo Ann Aniol, or any persons whose tax liability is at issue with regard to the summonses for tax years 2002 through 2004, as that term is defined in 26 U.S.C. § 7602(d).

I declare under penalty of perjury that the foregoing is true and correct.

Executed on the 10th day of January, 2014.

  
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Anh Reach  
Revenue Agent  
At Austin, Texas